



REEDLEY CITY COUNCIL

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- ☒ Consent Calendar
- ☐ Regular Item
- ☐ Workshop
- ☐ Closed Session
- ☐ Public Hearing

ITEM NO: _____

DATE: December 13, 2016

TITLE: APPROVE UNIFORM SERVICES AGREEMENT WITH AMERIPRIDE SERVICES, INC. AND RATIFY CITY MANAGER'S EXECUTION OF AGREEMENT.

SUBMITTED: Russ Robertson, Public Works Director

APPROVED: Nicole R. Zieba, City Manager

RECOMMENDATION

That the City Council approve a uniform services agreement with Ameripride Services, Inc. and ratify the City Manager's execution of the agreement, which was recommended by staff and approved and signed by the City Manager on November 28, 2016.

EXECUTIVE SUMMARY

The City of Reedley currently has a Memorandum of Understanding with General Services Unit employees which states that the City will provide up to one clean uniform per workday per employee at City expense. The City is currently under contract with Aramark Uniform Services, but that contract is set to expire on January 31, 2017. The City has been displeased with Aramark's service and staff has spoken with Aramark management on numerous occasions regarding service deficiencies and the service has not improved.

Over the last several months, staff entertained presentations from four different uniform service providers. After much research and reference checking, staff made the decision to move forward with contract negotiations with Ameripride. The City of Reedley will "piggyback" on a recent uniform pricing agreement that Ameripride entered into with the City of Chowchilla on November 8, 2016, however the City successfully negotiated a reduced annual inflationary increase to rates of only 2.5%, versus the Chowchilla agreement of 6%. Due to the holiday season and time constraints, staff requested City Manager approval of the agreement so that employees can be sized and uniforms ordered so that they will be ready prior to February 1, 2017. The agreement will become effective on February 1, 2017 and is a 36 month agreement. The City attorney's office has reviewed and approved the language of the Ameripride agreement.

FISCAL IMPACT

Adequate funds are appropriated in this year's budget for uniform services.

ATTACHMENTS

Ameripride Services Inc. Agreement



Account Name:

Sales Representative

Proposal Date

Term in Months

Name Tag

Emblem Tag

Prep Charges

Restocking Fees

Service Charge

Service Frequency

Contact:

Phone Number:

[illegible]

Customer Approval X

DIRECT ALL INQUIRIES TO:

AmeriPride Service Promise

"We promise to provide the highest standards of Quality and Service during the term of our Agreement with you. Your Customer Representative is trained and empowered to meet your service needs. In the unlikely event that (s) he cannot deal with your concern, please notify us via certified letter to the General Manager, stating the precise nature of your needs. Should we be unable to restore your service to reasonable standards within 60 days, you will have the option to cancel your Service Agreement after you have given us 30 days notice of your intent to discontinue service via certified letter to the General Manager and you have paid for all services rendered, including any loss and damaged charges and past due charges."

2. Term

The term of this Agreement shall be for 60 months starting from the effective date noted on the front. At the expiration of the term, the Agreement will automatically renew for another 60 months unless you have given us written notice, 60 days prior to the expiration of the term.

3. Prices

The initial base price for the services has been identified above. This may change if inventories increase or decrease, but they cannot decrease below the invoice minimum listed above. In addition to the base price, we reserve the right to charge you for other ancillary fees related to the services provided including a minimum delivery charge and inventory maintenance charge. We reserve the right to: (i) increase base prices by 6% each year during the term, (ii) increase ancillary fees and (iii) add ancillary fees as needed. If we feel an increase in base price in excess of 1% is necessary, we will notify you of that increase in writing and should you so desire, you can give us notice within 10 days of your rejection of the price increase in excess of 1%. The price charged is calculated using a 52 week year and for that reason, there will be no reduction for vacation, illness or temporary shutdown.

4. Payment Terms

Payment for services is due upon receipt of the invoice. If you request credit terms we reserve the right to ask for additional information about you. If credit is approved payment terms are Net 10. If you do not pay promptly we reserve the right to: (i) discontinue credit terms and (ii) charge you 1 1/2% per month on past due balances and (iii) suspend service to you.

5. Loss, Damage, and Early Termination Charges

Since we own the inventory of items which we are providing to you, should you lose or damage those items we will charge you. If we have supplied you with non-standard items, classified as a "Special Product" as indicated on the product schedule, at the termination of this Agreement for any reason, we will ask you to purchase that inventory from us. If you terminate this Agreement early, we will ask you to purchase all inventory items. In any of the situations described above, the price charged will be the current Replacement Price for that item.

6. Liquidated Damages

If you should terminate this Agreement before the term has run, it would be difficult or impractical to attempt to calculate the damages that we have suffered. For that reason, you agree to pay (in addition to the amount in 5 above) as liquidated damages (and not as a penalty) fifty percent of the average weekly volume for the unexpired portion of the term. Average weekly volume is calculated based on the twelve weeks prior to termination and includes all charges except for taxes.

7. No Warranty

We make no warranties about the products that are being provided for your use. We specifically disclaim all warranties including those of merchantability and fitness for a specific use, even if you have told us about your intended use. You acknowledge that unless you have specifically requested FR garments, all garments provided are for general purpose and are not designed for, or recommended for use in areas where there is a risk of flammability or where there could be contact with hazardous materials or ignition sources. You agree to take on the responsibility of notifying your employees of the risk described above. If you have asked us to provide you with FR garments, we are relying on you to make the decisions about what type of material is to be used and the design of the garment. Any warranty with respect to any product will come, if at all, from the manufacturer. You agree to indemnify and hold us harmless from any claim, loss or damage (including attorney's fees) that may be made against us as a result of a claim for personal injury or product defects.

8. Hazardous Materials

You agree that any soiled product returned to us will not contain any hazardous materials including "hazardous materials" as defined by federal or state law, biohazard or sharps of any kind or any other materials which could pose a threat to our employees.

9. Miscellaneous

You have told us that you are not currently under contract with other companies to provide you with textile rental services and that the person who has signed below has the authority to bind your organization. This page (plus any attachments) is the only Agreement between us as to the services to be provided. The Agreement shall not become effective until signed by the General Manager of the AmeriPride facility providing services to you. Should we need to hire a lawyer to enforce the terms of this Agreement, you agree to reimburse us for the lawyer's fees and costs. This Agreement will be binding on successors and assigns, including entities that take over your business.

10. Serviced Locations

The locations indicated above are bound to all terms of this agreement.

Delivery/Special Instructions

Route / Day / Stop #

See Addendum A

Customer Authorization

Authorized Signature

Print Name

Title

Date

AmeriPride Services Inc. Authorization

AmeriPride Services Inc. Representative Name

Date

AmeriPride Services Inc. Representative Approved by (required)

Date

By signing this document, you acknowledge that you have the authority to make decisions and bind your organization to this agreement

Addendum A-Effective 02/01/17

1. This Agreement matches the pricing schedule of that of City of Chowchilla as of 11/08/16
2. This agreement excludes Dan Obeso from servicing the City of Reedley account for the length of the agreed upon term.
3. Attorney's Fees and Costs. In any action to enforce the provisions of this Agreement or for breach of the Agreement, the prevailing party shall recover from the other party, in addition to any damages, injunctive or other relief, all costs (whether or not allowable as "cost" items by law) reasonably incurred at, before and after trial or on appeal, including without limitation attorney's fees.
4. This contract is subject to an annual price increase of 2.5% per year starting 09/01/2017.
5. The term of this agreement is for 36 months.

AmeriPride

Customer

Steven A. Pisciop, GM
Name/Title

[Signature]
Authorized Representative Signature

Nicole Zebe, City Manager
Name/Title

[Signature]
Authorized Representative Signature